

A post-Covid-19 agenda for Minnesota's state government

John Phelan

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For now at least, <u>the emergency period of the Covid-19 pandemic in Minnesota is over</u>. What did this traumatic experience show ought to be done in response to or in preparation for a possible repeat? The Cato Institute offers some suggestions in a new collection of essays titled <u>Pandemics and Policy</u>.

In <u>An Inclusive Post-COVID Recovery</u>, Michael D. Tanner suggests that state and local governments should:

- eliminate unnecessary occupational licensing regulations;
- eliminate occupational zoning, particularly prohibitions on working from home;
- *deregulate childcare to increase its availability and affordability;*
- suspend scheduled minimum wage increases; and
- *eliminate barriers to low-cost housing.*

In <u>Abolish Price and Wage Controls</u>, Ryan Bourne argues that state and local governments should:

- repeal anti-price-gouging laws;
- rescind sector-specific price control laws; and
- repeal or suspend minimum wage laws.

These are all sensible measures at any time, the sense of which has been highlighted by the pandemic.

We at the Center have long argued for <u>the repeal of occupational licensing laws</u>. Despite the waffle used to sell them, <u>these laws are about protecting producers</u>, not <u>consumers</u> and <u>research</u> <u>suggests that the situation has been getting worse in Minnesota in recent years</u>: our state ranked 11th overall for the increase in the breadth and burden of its occupational licensing requirements between 2012 and 2017.

We have also argued for <u>the deregulation of childcare</u>. <u>Minnesota currently ranks as the 4th most</u> expensive state for infant care, and these excessive costs are primarily driven by overburdensome regulations.

The removal of taxes, fees, and regulations that make it impossible to build affordable housing is also something the Center has pushed for. In our recent report '<u>Out of House and Home: Solving the Twin Cities' Affordable Housing Problem</u>', we explain how <u>affordable housing is rare</u> because it's illegal to build.

<u>Finally, the elimination of harmful minimum wage laws</u> is also something the Center has argued for. <u>Theory and evidence both show that minimum wages are bad public policy</u>, with the effects felt most acutely <u>among small businesses</u> and <u>in minority communities</u>.